Exhibit 3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
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IN RE: TERRORIST ATTACKS ON

SEPTEMBER 11, 2001, 03 MD 01570 (GBD)(FM)

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New York, N.Y.
April 11, 2008
11:05 a.m.

Before:

HON. FRANK MAAS,

Magistrate Judge

APPEARANCES

ATTORNEYS FOR PLAINTIFFS:

KREINDLER & KREINDLER
BY: ANDREW J. MALONEY, III
-AND-
JERRY S. GOLDMAN & ASSOCIATES
BY: JERRY S. GOLDMAN
-AND-
MOTLEY RICE
BY: ROBERT T. HAEFELE
-AND-
COZEN O'CONNOR
BY: SEAN P. CARTER
J. SCOTT TARBUTTON

ATTORNEYS FOR DEFENDANTS:

MARTIN F. MCMAHON & ASSOCIATES
BY: MARTIN F. MCMAHON
CHRISTINE HILGEMAN

can come into court in good faith and say, You know, this is what they are now pressing, and we have no obligation to do that. We have no intention of doing that at this time, your Honor. As a matter of fact, consulting with learned counsel here, we've maxed out on our interrogatories to 25. I don't think we can now serve 26 and 27 without leave from your Honor.

So I don't know why they are bringing this issue before you at this time. There's no real imminent injury to them that I'm aware of.

THE COURT: The way Mr. Carter counts, I think you're up to 902 rather than 25.

MR. MCMAHON: Well, I don't know if he said that. I think that was about the document request.

THE COURT: Oh, okay.

MR. MCMAHON: But, in any case, your Honor, I don't know -- you know, again, we're not pressing the issue. These answers came in in August; they did identify individuals; we were happy with their responses in terms of 33.

My concern is this, your Honor, having been around the track a little bit: I don't want to be sort of back-doored down the road and be left with a limited time frame to serve contention interrogatories.

And where we're going on this case, you know, I've told some of my colleagues I hope I'm still alive when this case ends. But I just want to be in a position to protect our

clients; that, you know, perhaps there should be something like we would have the right six months prior to the end of discovery to propose contention interrogatories, given this enormous case, your Honor.

I think, in part, and there are excellent attorneys, I have a lot of respect for them, they are trying to take away some of your discretion under Rule 33, because I recall on two of those provisions "unless ordered otherwise by the Court."

So in one sense, your Honor, I'm glad I showed up; I mean I've learned an awful lot about how awful my clients are. But in terms of the contention interrogatories issue, I don't really see a controversy here. So that's why I wrote you the letter I did. Now, if we were pressing on contention answers, I would understand their concern.

Your Honor, is there something I did not address that you want to ask me a question on?

THE COURT: No, I think you have addressed the issues. I suppose one question that your statement raises that I need to ask you, Mr. Carter, is why haven't you been to all those places that aren't in Saudi Arabia?

MR. CARTER: Well, your Honor, I think we're getting off of the scope of the issue here. Let me say this, among other things, for example: In connection with the pre-1996 discovery dispute, one of the arguments that was raised was that they couldn't respond because it would be unduly

today.

Why has this issue cropped up? Because of a continuing obligation, because a pattern that we saw emerging of these defendants using it.

Now, Mr. McMahon, again, says we've offered lots of things, we've given them lots of documents. Let's go back to the simple example of Mr. Jelaidan. Twenty-two documents. The history of his points of attachment to organizations with known associations through al Qaeda dates back twenty-some years. He's been designated by the international community, his own government, and we don't have anything; we don't have any of his bank records. I've asked very simply for his bank records. Nothing. So we have a concern that we're not getting documents, and that the defendants aren't taking the discovery process particularly seriously.

And we think that the answer to this is to put the focus where it should be: On plaintiffs' discovery as to the defendants, and then move on to the second phase.

There is no prejudice here. Mr. McMahon, the Court can manage this in a way that ensures he has adequate time to do his contention discovery later. We are a long way from summary judgment in that necessity. And, honestly, whether he's apprised of our obligation to supplement discovery responses is relatively irrelevant since we're cognizant of our duties under the rules. So that's why this is ripe; that's why

it's percolated up.

THE COURT: There's also the issue, which I said to my law clerk yesterday that one of the problems of the case is I feel like occasionally I parachute in and have to get the lay of the land again. One of the issues I assume the two committees are discussing are the fact that certain defendants still have jurisdictional motions pending, other folks are up in the Second Circuit. Mr. McMahon, evidently, on behalf of his clients, is engaged in, to some extent, substantive discovery; and that there are disputes about what extent.

But presumably when you get to the deposition stage he's not going to want his clients to be deposed by you and then potentially be disposed by Mr. Maloney; there's got to be some coordinated way. I recognize we may be a long way off from that stage, but I assume the committees are at least discussing -- maybe I shouldn't assume, but...

MR. CARTER: The differing procedural status of the case as to varying defendants is a problem.

THE COURT: Well, then, how you get to some sort of end point collectively.

MR. CARTER: Exactly right.

THE COURT: Or decide that that's not feasible and come up with plan B.

MR. CARTER: And to be honest, we're trying to do it. And the discovery request we sent to these defendants were